

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)	
CORINTH WATER DISTRICT)	CASE NO. 92-092

O R D E R

On March 9, 1992, Corinth Water District ("Corinth") filed an application with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. Corinth's supplier, the city of Williamstown, will increase its minimum monthly rate for purchased water from \$243.25 for the first 175,000 gallons to \$267.75, and its rate per 1,000 gallons from \$1.392 to \$1.53, effective May 1, 1992.

2. Corinth proposes to increase the rates to its customers effective May 1, 1992. Based on average monthly usage of 5,000 gallons, the monthly bills for Corinth's customers will increase by 75 cents from \$32.50 to \$33.25, an increase of 2.3 percent.

3. During the 12 months ending January 31, 1992, Corinth purchased 27,354,000 gallons of water and sold 25,369,150 gallons.

4. The increase in Corinth's purchased water costs is \$3,775, resulting in a purchased water adjustment of 15 cents per 1,000 gallons of water.

5. The rates proposed by Corinth are incorrect. Corinth's calculations show a purchased water adjustment of 14 cents per 1,000 gallons; however, the proposed rates show an increase of 16 cents per 1,000 gallons. The correct purchased water adjustment is 15 cents per 1,000 gallons.

6. Corinth sells water to water haulers through coin-operated stations. These stations operate only with quarters; therefore, the truck loading rate must be divisible by 25. In Case No. 91-098,¹ no change was made to the truck loading rate in order to balance the increases resulting from previous purchased water adjustments. Corinth did not propose an increase in the truck loading rate. However, in order to maintain the rate balance and to accommodate the coin-operated stations, the truck loading rate should be increased by 25 cents per 1,000 gallons in the instant case.

7. The purchased water adjustment of 15 cents per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Corinth are denied.
2. The purchased water adjustment of 15 cents per 1,000 gallons and the rates in Appendix A are hereby approved for services rendered on and after May 1, 1992.

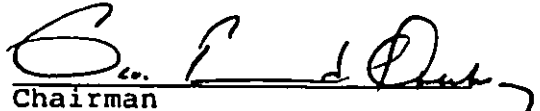
¹ Case No. 91-098, Purchased Water Adjustment of Corinth Water District.

3. Within 30 days of the date of this Order, Corinth shall file its revised tariff setting out the rates approved herein.

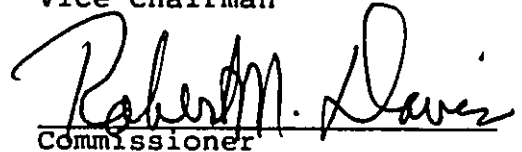
4. On or before May 1, 1992, Corinth shall file a copy of the notice to its customers and verification that such notice has been given.

Done at Frankfort, Kentucky, this 24th day of March, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 92-092 DATED 3/24/92

The following rates and charges are prescribed for the customers in the area served by Corinth Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Monthly Water Rates

First 1,000 gallons	\$11.45 Minimum Bill
Next 4,000 gallons	5.45 per 1,000 gallons
Next 5,000 gallons	3.45 per 1,000 gallons
Over 10,000 gallons	2.95 per 1,000 gallons
Loading Station Rate	4.00 per 1,000 gallons